

Catastrophic Disability Medical Insurance

Preliminary Report

LEOFF Plan 2 Retirement Board

November 18, 2009

Issue Description

- Members who suffer catastrophic duty-related disabilities may not be able to afford retiree medical insurance.

Background

- Some employers provide retiree coverage
- Most covered through other programs
- Significant cost issues

Option 1

- Reimburse catastrophic disability retiree medical insurance premiums for:
 - Employer provided medical insurance
 - COBRA & extended COBRA

- Cost

	High	Low
■ Member	0.04%	0.02%
■ Employer	0.02%	0.01%
■ State	0.02%	0.01%

Option 2

- Reimburse catastrophic disability retiree medical insurance premiums for:

- Employer provided medical insurance
- COBRA & extended COBRA
- Medicare Parts A & B

■ Cost	High	Low
■ Member	0.05%	0.04%
■ Employer	0.03%	0.03%
■ State	0.02%	0.01%

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Questions?